

# ORIENTAL INTEREST BERHAD [Registration No. 199301017406 (272144-M)]

## QUARTERLY REPORT

The Board of Directors is pleased to announce the interim financial statements on consolidated results for the second quarter of financial year ending 31 August 2023.

### Condensed consolidated statement of profit or loss and other comprehensive income for the financial period ended 28 February 2023

[The figures have not been audited.]

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 28/02/2023 RM'000	Preceding Year Quarter 28/02/2022 RM'000	Current Year To Date 28/02/2023 RM'000	Preceding Year To Date 28/02/2022 RM'000
Revenue	121,168	125,852	210,746	202,768
Cost of sales	(91,079)	(89,293)	(154,614)	(142,308)
<b>Gross profit</b>	30,089	36,559	56,132	60,460
Other income	4,435	2,668	6,045	4,923
Selling and distribution expenses	(1,427)	(808)	(3,246)	(2,037)
Administrative expenses	(14,730)	(12,295)	(23,079)	(19,314)
Other expenses	(678)	(1,029)	(1,151)	(1,613)
<b>Results from operating activities</b>	17,689	25,095	34,701	42,419
Finance costs	(7)	(13)	(15)	(30)
Share of results of an associate	7	4	14	10
<b>Profit before tax</b>	17,689	25,086	34,700	42,399
Taxation	(4,318)	(6,443)	(8,575)	(10,729)
<b>Profit for the financial period/ Total comprehensive income</b>	13,371	18,643	26,125	31,670
<b>Total comprehensive income attributable to:</b>				
Owners of the Company	10,547	17,464	21,722	29,165
Non-controlling interests	2,824	1,179	4,403	2,505
	13,371	18,643	26,125	31,670
<b>Basic and diluted earnings per ordinary share (sen)</b>	2.27	3.76	4.68	6.28

The condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 August 2022 and the accompanying explanatory notes attached to the interim financial report.

**ORIENTAL INTEREST BERHAD**

[Registration No. 199301017406 (272144-M)]

**Condensed consolidated statement of financial position as at 28 February 2023**

[The figures have not been audited.]

	28/02/2023 RM'000	31/08/2022 RM'000
<b>ASSETS</b>		
Property, plant and equipment	51,611	50,507
Right-of-use assets	8,589	8,769
Investment properties	53,994	53,640
Investment in an associate	5,380	5,366
Deferred tax assets	50,470	50,223
Inventories-Land held for property development	521,921	525,276
Other receivables	22,236	21,936
<b>Total non-current assets</b>	<b>714,201</b>	<b>715,717</b>
Inventories-Developed properties	8,712	14,244
Inventories-Property development costs	278,199	245,930
Inventories-Plantation supplies	26	147
Contract costs	77,000	83,182
Contract assets	159,317	203,706
Trade and other receivables	117,697	132,278
Tax recoverable	6,122	4,661
Short term investments	74,008	82,894
Cash and bank balances	20,012	21,622
<b>Total current assets</b>	<b>741,093</b>	<b>788,664</b>
<b>Total assets</b>	<b><u>1,455,294</u></b>	<b><u>1,504,381</u></b>
<b>EQUITY</b>		
Share capital	250,364	250,364
Reserves	425,738	427,245
<b>Equity attributable to owners of the Company</b>	<b>676,102</b>	<b>677,609</b>
<b>Non-controlling interests</b>	<b>83,644</b>	<b>85,934</b>
<b>Total equity</b>	<b><u>759,746</u></b>	<b><u>763,543</u></b>
<b>LIABILITIES</b>		
Loans and borrowings	47,800	47,800
Lease liabilities	487	524
Trade payables	94,522	113,183
Deferred tax liabilities	598	976
<b>Total non-current liabilities</b>	<b>143,407</b>	<b>162,483</b>
Loans and borrowings	284,211	306,459
Lease liabilities	458	534
Trade and other payables	261,801	262,181
Contract liabilities	494	1,767
Deferred income	-	318
Tax payable	5,177	7,096
<b>Total current liabilities</b>	<b>552,141</b>	<b>578,355</b>
<b>Total liabilities</b>	<b><u>695,548</u></b>	<b><u>740,838</u></b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b><u>1,455,294</u></b>	<b><u>1,504,381</u></b>
<b>Net assets per share attributable to owners of the Company (RM)</b>	<b>1.46</b>	<b>1.46</b>

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 August 2022 and the accompanying explanatory notes attached to the interim financial report.

**ORIENTAL INTEREST BERHAD**

[Registration No. 199301017406 (272144-M)]

**Condensed consolidated statement of changes in equity  
for the financial period ended 28 February 2023**

[The figures have not been audited.]

	----- Attributable to owners of the Company -----							
	----- Non-distributable -----				Distributable		Non- controlling interests RM'000	Total equity RM'000
	Share capital RM'000	Warrants reserve RM'000	Revaluation reserve RM'000	Retained earnings RM'000	Total RM'000			
<b>At 1 September 2021</b>	250,364	24,778	8,076	332,384	615,602	82,958		
Profit for the financial period	-	-	-	29,165	29,165	2,505	31,670	
<b>Transaction with owners:</b>								
Dividends paid to:								
- shareholders of the Company	-	-	-	(16,260)	(16,260)	-	(16,260)	
- non-controlling interests of subsidiaries	-	-	-	-	-	(5,630)	(5,630)	
<b>Total transaction with owners of the Company</b>	-	-	-	(16,260)	(16,260)	(5,630)	(21,890)	
Realisation of revaluation reserve	-	-	(394)	394	-	-	-	
<b>At 28 February 2022</b>	250,364	24,778	7,682	345,683	628,507	79,833	708,340	
<b>At 1 September 2022</b>	250,364	24,778	7,750	394,717	677,609	85,934	763,543	
Profit for the financial period	-	-	-	21,722	21,722	4,403	26,125	
<b>Transactions with owners:</b>								
Dividends paid to:								
- shareholders of the Company	-	-	-	(23,229)	(23,229)	-	(23,229)	
- non-controlling interests of subsidiaries	-	-	-	-	-	(6,693)	(6,693)	
<b>Total transactions with owners of the Company</b>	-	-	-	(23,229)	(23,229)	(6,693)	(29,922)	
Realisation of revaluation reserve	-	-	(125)	125	-	-	-	
<b>At 28 February 2023</b>	250,364	24,778	7,625	393,335	676,102	83,644	759,746	

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 August 2022 and the accompanying explanatory notes attached to the interim financial report.

**ORIENTAL INTEREST BERHAD**

[Registration No. 199301017406 (272144-M)]

**Condensed consolidated statement of cash flows  
for the financial period ended 28 February 2023**

[The figures have not been audited.]

	Period Ended	
	28/02/2023 RM'000	28/02/2022 RM'000
<b>Cash flows from operating activities</b>		
<b>Profit before tax</b>	34,700	42,399
<i>Adjustments for:-</i>		
Depreciation	2,200	1,619
Interest income	(872)	(1,389)
Interest expense	15	30
Reversal of provision for liquidated ascertained damages	(1,807)	-
Share of profit of an associate	(14)	(10)
Other non-cash items	3	12
	34,225	42,661
Operating profit before changes in working capital	34,225	42,661
Net change in current assets	47,756	(101,056)
Net change in current liabilities	(18,825)	(29,760)
	63,156	(88,155)
Cash generated from/(used in) operations	63,156	(88,155)
Interest received	628	584
Tax paid	(12,580)	(14,224)
	51,204	(101,795)
<b>Net cash from/(used in) operating activities</b>	51,204	(101,795)
<b>Cash flows from investing activities</b>		
Interest received	244	805
Proceeds from disposal of property, plant and equipment	4	139
Additions to property, plant and equipment	(2,456)	(3,032)
Additions to investment properties	(866)	(5,914)
	(3,074)	(8,002)
<b>Net cash used in investing activities</b>	(3,074)	(8,002)
<b>Cash flows from financing activities</b>		
Interest paid	(6,180)	(3,186)
Dividends paid to:		
- shareholders of the Company	(23,229)	(16,260)
- non-controlling interests	(6,693)	(5,630)
Repayment of loans and borrowings	(32,248)	(13,736)
Drawdown of loans and borrowings	10,000	48,000
Payment of lease liabilities	(276)	(255)
	(58,626)	8,933
<b>Net cash (used in)/from financing activities</b>	(58,626)	8,933
<b>Net change in cash and cash equivalents</b>	(10,496)	(100,864)
Cash and cash equivalents		
- at beginning of the period	104,516	141,245
- at end of the period	94,020	40,381
<b>Cash and cash equivalents included in the cash flows comprise the following:-</b>		
Short term investments	74,008	28,099
Cash and bank balances	20,012	12,282
	94,020	40,381

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial year ended 31 August 2022 and the accompanying explanatory notes attached to the interim financial report.

**ORIENTAL INTEREST BERHAD**

[Registration No. 199301017406 (272144-M)]

**Notes to the quarterly report - 28 February 2023****A. Selected Explanatory Notes to the Interim Financial Statements as required under MFRS 134**

[The figures have not been audited.]

**A.1. Basis of Preparation**

The interim financial statements have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") 134 "Interim Financial Reporting" and Paragraph 9.22 of Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"), and should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 August 2022. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since financial year ended 31 August 2022.

The accounting policies and methods of computation adopted by the Group in this interim financial statements are consistent with those adopted for the annual financial statements for the financial year ended 31 August 2022 except for the changes in accounting policies and presentation resulting from the adoption of relevant MFRSs and amendments to MFRSs that are applicable and effective for the Group's financial year beginning on or after 1 September 2022 as follows:-

- Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements to MFRS Standards 2018-2020)*
- Amendments to MFRS 3, *Business Combinations - Reference to the Conceptual Framework*
- Amendments to MFRS 9, *Financial Instruments (Annual Improvements to MFRS Standards 2018-2020)*
- Amendments to Illustrative Examples accompanying MFRS 16, *Leases (Annual Improvements to MFRS Standards 2018-2020)*
- Amendments to MFRS 116, *Property, Plant and Equipment – Proceeds before Intended Use*
- Amendments to MFRS 137, *Provisions, Contingent Liabilities and Contingent Assets - Onerous Contracts - Cost of Fulfilling a Contract*
- Amendments to MFRS 141, *Agriculture (Annual Improvements to MFRS Standards 2018-2020)*

The adoption of the above accounting standards, amendments and improvements to published standards does not have any material financial impact on the financial statements of the Group.

**A.2. Seasonal or Cyclical Factors**

Seasonal or cyclical factors do not have any material impact on the Group's business operations.

**A.3. Unusual Items Due to Nature, Size or Incidence**

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows for the financial period under review.

**A.4. Changes in Estimates**

There were no changes in estimates that have a material effect in the current quarter results.

**A.5. Debt and Equity Securities**

There were no issuance and/or repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the financial period under review.

**A.6. Dividend Paid**

An interim single-tier dividend of 5 sen per ordinary share in respect of the financial year ended 31 August 2022 was declared on 25 October 2022. The dividend, which amounted to RM23.23 million, was paid on 30 December 2022.

**A.7. Material Events Subsequent to the Interim Reporting Period**

There were no material events that have arisen subsequent to the end of the interim reporting period, which have not been reflected in the interim financial statements.

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**Notes to the quarterly report - 28 February 2023**
**A.8. Changes in the Composition of the Group**

There were no changes in the composition of the entity during the interim reporting period.

**A.9. Operating Segments**

	Property Development RM'000	General Construction RM'000	Oil Palm Cultivation RM'000	Investment Holding RM'000	Hotel Operation RM'000	Consolidated RM'000
<b>Current period ended 28 February 2023</b>						
<b>Revenue</b>						
Total revenue	190,113	125,232	2,450	27,305	3,787	348,887
Inter-segment revenue	(5,693)	(105,583)	-	(26,852)	(13)	(138,141)
Revenue from external customers	<u>184,420</u>	<u>19,649</u>	<u>2,450</u>	<u>453</u>	<u>3,774</u>	<u>210,746</u>
<b>Segment profit</b>						
Reportable segment profit	32,393	89	1,482	313	409	34,686
Share of results of an associate	-	-	-	14	-	14
Profit before tax	<u>32,393</u>	<u>89</u>	<u>1,482</u>	<u>327</u>	<u>409</u>	<u>34,700</u>
<b>Corresponding period ended 28 February 2022</b>						
<b>Revenue</b>						
Total revenue	198,571	114,619	3,075	65,978	3,075	385,318
Inter-segment revenue	(17,144)	(99,685)	-	(65,721)	-	(182,550)
Revenue from external customers	<u>181,427</u>	<u>14,934</u>	<u>3,075</u>	<u>257</u>	<u>3,075</u>	<u>202,768</u>
<b>Segment profit/(loss)</b>						
Reportable segment profit/(loss)	39,824	456	1,851	(235)	493	42,389
Share of results of an associate	-	-	-	10	-	10
Profit/(Loss) before tax	<u>39,824</u>	<u>456</u>	<u>1,851</u>	<u>(225)</u>	<u>493</u>	<u>42,399</u>

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**Notes to the quarterly report - 28 February 2023**
**A.9. Operating Segments (Cont'd)**

	Property Development RM'000	General Construction RM'000	Oil Palm Cultivation RM'000	Investment Holding RM'000	Hotel Operation RM'000	Consolidated RM'000
<b>As at 28 February 2023</b>						
<b>Segment assets</b>						
Total segment assets	1,317,384	49,805	26,254	33,778	22,693	1,449,914
Associate	-	-	-	5,380	-	5,380
Total assets	<u>1,317,384</u>	<u>49,805</u>	<u>26,254</u>	<u>39,158</u>	<u>22,693</u>	<u>1,455,294</u>
<b>Segment liabilities</b>						
Total segment liabilities	<u>413,959</u>	<u>67,982</u>	<u>44</u>	<u>213,061</u>	<u>502</u>	<u>695,548</u>
<b>As at 28 February 2022</b>						
<b>Segment assets</b>						
Total segment assets	1,332,979	33,269	27,638	10,960	22,017	1,426,863
Associate	-	-	-	5,354	-	5,354
Total assets	<u>1,332,979</u>	<u>33,269</u>	<u>27,638</u>	<u>16,314</u>	<u>22,017</u>	<u>1,432,217</u>
<b>Segment liabilities</b>						
Total segment liabilities	<u>423,183</u>	<u>81,205</u>	<u>21</u>	<u>218,968</u>	<u>500</u>	<u>723,877</u>

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**Notes to the quarterly report - 28 February 2023**
**A.10. Commitments**

There were no changes in commitments since the last annual reporting date as at 31 August 2022, except for the following:-

	01/09/2022 RM'000	Changes RM'000	28/02/2023 RM'000
<b>Unsecured</b>			
Bankers' guarantee issued to third parties in favour of subsidiaries	<u>24,198</u>	<u>5,324</u>	<u>29,522</u>
<b>Development land</b>			
Contracted but not provided for	<u>33,112</u>	<u>-</u>	<u>33,112</u>
<b>Investment properties</b>			
Contracted but not provided for	<u>1,821</u>	<u>(1,821)</u>	<u>-</u>

**A.11. Related Party Transactions**

The Group's recurrent related party transactions in the current financial year to date are as follows:-

	28/02/2023 RM'000
<b>Sale/(Purchase) of goods and services to/(from):</b>	
- Entities in which substantial interests are owned directly by persons connected with Directors of a subsidiary of the Company	(151)
- Entity in which substantial interests are owned directly by persons connected with Directors of a subsidiary of the Company	13
- Entities in which substantial interests are owned indirectly by Directors/person connected to Directors of the Company	(32,502)
- Entities in which substantial interests are owned indirectly by Directors/person connected to Directors of the Company	30,441
<b>Rental income/(expenses) from/(to):</b>	
- Entity in which substantial interests are owned indirectly by Directors/person connected to Directors of the Company	363
- Entities in which substantial interests are owned indirectly by Directors/person connected to Directors of the Company	(860)



**Notes to the quarterly report - 28 February 2023**
**B. Additional Information required by the Bursa Malaysia Securities Berhad Listing Requirements in relation to the issuance of the Interim Financial Statements**

[The figures have not been audited.]

**B.1. Financial Review for Current Quarter and Financial Year to Date**

	Individual Quarter			Cumulative Quarter		
	Current Year Quarter 28/02/2023 RM'000	Preceding Year Quarter 28/02/2022 RM'000	Changes %	Current Year To Date 28/02/2023 RM'000	Preceding Year To Date 28/02/2022 RM'000	Changes %
<b>Revenue</b>						
Property Development	106,000	110,035	(4)	184,420	181,427	2
General Construction	11,889	12,563	(5)	19,649	14,934	32
Oil Palm Cultivation	1,183	1,483	(20)	2,450	3,075	(20)
Investment Holding	206	79	161	453	257	76
Hotel Operation	1,890	1,692	12	3,774	3,075	23
<b>Total</b>	<b>121,168</b>	<b>125,852</b>	<b>(4)</b>	<b>210,746</b>	<b>202,768</b>	<b>4</b>
<b>Profit/(Loss) before tax</b>						
Property Development	16,767	23,724	(29)	32,393	39,824	(19)
General Construction	59	398	(85)	89	456	(80)
Oil Palm Cultivation	640	776	(18)	1,482	1,851	(20)
Investment Holding	99	(32)	409	327	(225)	245
Hotel Operation	124	220	(44)	409	493	(17)
<b>Total</b>	<b>17,689</b>	<b>25,086</b>	<b>(29)</b>	<b>34,700</b>	<b>42,399</b>	<b>(18)</b>

The Group's revenue and profit before taxation ("PBT") for the reporting financial quarter decreased by 4% and 29% respectively compared to the preceding year corresponding quarter. On a cumulative basis, PBT dropped by 18% on the back of a 4% increase in revenue compared to the preceding financial year.

Both key segments reported decline in performance for the financial current under review: Revenue from Property Development segment dipped by 4% resulting in a 29% drop in PBT while billings to external customers under General Construction segment slid by 5% resulting in a 85% drop in PBT.

The drop in PBT was principally due to spike-up in administrative expenses arising from increase in salary and bonus for staffs as well as marked-to-market salaries under talent recruitment exercise to support our business expansion.

On current year basis, revenue from Property Development segment grew by 2% but there was a 19% drop in PBT compared with the previous financial year. Notwithstanding a 32% increase in revenue, General Construction segment reported a 80% drop in PBT affected by increase in staff costs and downward revision in profit margin for certain construction works in the reporting financial period arising from higher construction costs.

Oil Palm Cultivation segment also reported 20% and 18% drop in revenue and PBT respectively against preceding year corresponding quarter mainly due to decrease in crude palm oil price. On a year-to-date basis, both revenue and PBT were 20% lower respectively compared with the preceding year cumulative period.

**Notes to the quarterly report - 28 February 2023**

**B.2. Financial Review for Current Quarter Compared with Immediate Preceding Quarter**

	<b>Current Year Quarter 28/02/2023 RM'000</b>	<b>Immediate Preceding Quarter 30/11/2022 RM'000</b>	<b>Changes %</b>
<b>Revenue</b>			
Property Development	106,000	78,418	35
General Construction	11,889	7,760	53
Oil Palm Cultivation	1,183	1,268	(7)
Investment Holding	206	247	(17)
Hotel Operation	1,890	1,885	0
Total	<u>121,168</u>	<u>89,578</u>	35
<b>Profit before tax</b>			
Property Development	16,767	15,627	7
General Construction	59	30	97
Oil Palm Cultivation	640	842	(24)
Investment Holding	99	228	(57)
Hotel Operation	124	284	(56)
Total	<u>17,689</u>	<u>17,011</u>	4

Revenue and PBT increased by 35% and 4% respectively compared with the immediate preceding financial quarter. Property Development segment's revenue and PBT rose by 35% and 7% contributed mainly from higher progress billings by D'Aman Residence (Block A) in northern region and strong take-up rate at Pulau Indah (Industrial Plots) project in central region. On the same comparative basis, General Construction segment's billings to external customers rose by 53%, contributing to a 97% jump in PBT. Meanwhile, revenue and PBT of Oil Palm Cultivation segment contracted by 7% and 24% respectively, as a result of lower harvesting.

**B.3. Prospects for the Current Financial Year**

The Group continued its growth trend resulting in reporting revenue of RM210.75 million for the current quarter ended 28 February 2023 in respect to the financial year ending 31 August 2023 ("2Q FY2023"), a 4% increase compared to RM202.77 million recorded for 2Q FY2022. The strong performance testified to the Group's ability to meet the growing demands driven by strong value propositions (quality, aesthetically pleasing and affordably priced) of the Group's residential properties which are situated within the vicinity of key urban centres in the central region.

During the quarter under review, the Group launched a new phase of an existing project in the northern region; namely, D'Aman Residence (Block C), comprising 135 condominium units with total estimated gross development value ("GDV") of RM41.10 million. This phase has 131 condominium units under the Perumahan Penjawat Awam Malaysia ("PPAM") scheme.

At the same time, the Group delivered vacant possession for 67 double-storey terrace homes at Taman Permaipura (ZBP4) under PPAM scheme in Bedong, Kedah and 38 double-storey terrace homes at Taman Seri Bestari in Sepang, Selangor.

On 8 March 2023, a wholly subsidiary, OIB Properties (KV) Sdn. Bhd. signed an agreement with the Kedah State Development Corporation to jointly develop a mixed development project in Kuala Muda (comprising of commercial and residential buildings as well as industrial lots) with an estimated GDV of RM2.15 billion.

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**Notes to the quarterly report - 28 February 2023**
**B.3. Prospects for the Current Financial Year (Cont'd)**

The Group currently has 2,879 acres of strategic development lands, including land banks under landowners and developer agreements, that auger well for the future growth of its property development activities. The Group continues to actively look for and acquire new land banks given positive outlook in the property development industry and the demand from the first-time home buyers and own stay market for residential properties remained sustainable.

The Group's unbilled property sales totalled about RM548.90 million as at close of the reporting financial quarter and given the on-hand bookings and sales, the Group is optimistic in delivering another set of positive results for FY2023.

**B.4. Variance of Actual Profit from Forecast Profit**

The Group has not given any profit forecast nor profit guarantee in respect of any corporate proposals.

**B.5. Profit Before Taxation**

	Current Year Quarter 28/02/2023 RM'000	Current Year To Date 28/02/2023 RM'000
Profit before taxation is arrived at after (charging)/crediting:-		
Depreciation	(893)	(2,200)
Interest expense	(7)	(15)
Government grant income	1,503	2,173
Lease income	1,008	1,546
Interest income	105	872
Reversal of provision for liquidated ascertained damages	1,807	1,807
Other income	959	1,324
	<u>959</u>	<u>1,324</u>

Save as disclosed above, the other items as required under Appendix 9B, Part A (16) of the Bursa Securities Listing Requirements are not applicable.

**B.6. Taxation**

	Current Year Quarter 28/02/2023 RM'000	Current Year To Date 28/02/2023 RM'000
Malaysian income tax based on the profit for the financial period	4,254	9,198
Deferred taxation	64	(623)
	<u>4,318</u>	<u>8,575</u>

The effective tax rate of the Group for the financial period is approximate to the statutory income tax rate.

**B.7. Status of Corporate Proposals**

There were no corporate proposals that have been announced but not completed as at 10 April 2023, the latest practicable date which is not earlier than 7 days from the date of issuance of this interim financial statements.

**Notes to the quarterly report - 28 February 2023**
**B.8. Utilisation of Proceeds**
**Renounceable Rights Issue of New Ordinary Shares with Free Detachable Warrants**

The Company has undertaken a Rights Issue with Free Detachable Warrants, which was completed on 2 June 2021 following the listing and quotation of 154,858,394 Rights Shares and 154,858,394 Warrants on the Main Market of Bursa Malaysia Securities Berhad. The Rights Issue with Warrants has raised total proceeds of RM105.30 million ("Rights Issue with Warrants Proceeds").

The status of utilisation of proceeds raised from the Rights Issue with Warrants as at 28 February 2023 is as follows:-

Details of utilisation	Proposed usage RM'000	Re-allocation of usage RM'000	Actual utilisation RM'000	Balance as at 28 February 2023 RM'000	Timeframe for utilisation of Rights Issue with Warrants Proceeds
(i) Funding for existing and/or future property development projects	62,704	^67	(62,771)	-	Within 12 months
(ii) Acquisition of new landbank for property development	42,000	-	(16,427)	25,573	Within 24 months until 1 June 2023
(iii) Estimated expenses for the Bonus Issue and Rights Issue with Warrants	600	^(67)	(533)	-	Within 1 month
<b>Total</b>	<u>105,304</u>	<u>-</u>	<u>(79,731)</u>	<u>25,573</u>	

**Note:**

^ The amount of RM67,000 was reallocated and fully utilised as working capital for existing and/or future property development projects.

**B.9. Group Borrowings and Debt Securities**

	Long Term RM'000	Short Term RM'000	Total RM'000
<b>As at 28 February 2023</b>			
<b>Secured</b>			
Revolving credit	-	234,211	234,211
<b>Unsecured</b>			
Revolving credit	-	50,000	50,000
Non-convertible redeemable preference shares	47,800	-	47,800
	<u>47,800</u>	<u>284,211</u>	<u>332,011</u>
<b>As at 28 February 2022</b>			
<b>Secured</b>			
Term loans	-	14,980	14,980
Revolving credit	-	254,958	254,958
<b>Unsecured</b>			
Revolving credit	-	50,000	50,000
Non-convertible redeemable preference shares	47,800	-	47,800
	<u>47,800</u>	<u>319,938</u>	<u>367,738</u>

**Notes to the quarterly report - 28 February 2023**
**B.9. Group Borrowings and Debt Securities (Cont'd)**

The weighted average interest rate at the end of the reporting period are as follows:-

	As at 28/02/2023	As at 28/02/2022
<b>Floating interest rate</b>		
Term loans	-	3.66%
Revolving credit	4.00%	2.92%
<b>Fixed interest rate</b>		
Non-convertible redeemable preference shares	<u>4.00%</u>	<u>4.00%</u>

(a) The decrease of borrowings due to repayment of term loans and revolving credit facilities.

(b) There were no bank borrowings denominated in foreign currencies as at the reporting date.

**B.10. Derivative Financial Instrument**

The Group did not have any derivative financial instruments as at the end of the reporting period.

**B.11. Gain and Losses Arising from Fair Value Changes of Financial Liabilities**

There were no gain and losses arising from fair value changes of financial liabilities for the financial period under review.

**B.12. Material Litigation**

There were no pending material litigations as at 10 April 2023, the latest practicable date which is not earlier than 7 days from the date of issuance of this interim financial statements.

**B.13. Dividend**

Other than the dividend paid as disclosed in Note A6 herein, the Board of Directors does not recommend any payment of dividend in respect of the current financial year ending 31 August 2023.

**B.14. Earnings Per Share ("EPS")**

	Current Year Quarter 28/02/2023	Preceding Year Quarter 28/02/2022	Current Year To Date 28/02/2023	Preceding Year To Date 28/02/2022
(a) <b>Basic</b>				
Profit attributable to owners of the Company (RM'000)	<u>10,547</u>	<u>17,464</u>	<u>21,722</u>	<u>29,165</u>
Weighted average number of ordinary shares ('000)	<u>464,574</u>	<u>464,574</u>	<u>464,574</u>	<u>464,574</u>
Basic EPS (sen)	<u>2.27</u>	<u>3.76</u>	<u>4.68</u>	<u>6.28</u>
(b) <b>Diluted</b>				

The diluted earnings per ordinary share is the same as the basic earnings per ordinary share as the unexercised convertible warrants are anti-dilutive in nature. This is due to the average market share price of the Company is below the exercise price of warrants.

**ORIENTAL INTEREST BERHAD**

[Registration No. 199301017406 (272144-M)]

**Notes to the quarterly report - 28 February 2023****B.15. Auditors' Report for the Preceding Annual Financial Statements**

There was no qualification on the report of the auditors on the annual financial statements of the Company for the immediate preceding financial year.

**By order of the Board**

**Tai Yit Chan [MAICSA 7009143 | SSM PC No. 202008001023]**

**Ong Tze-En [MAICSA 7026537 | SSM PC No. 202008003397]**

Company Secretaries

17 April 2023